



DIVISION OF
CORPORATION FINANCE

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

Mail Stop 3720

May 16, 2006

Via U.S. Mail and Fax (210.614.7264)

Mr. Antonio Estrada
Corporate Controller and Principal Financial Officer
ATSI Communications, Inc.
8600 Wurzbach, Suite 700W
San Antonio, TX 78240

**RE: ATSI Communications, Inc.
Form 10-KSB/A for the Fiscal Year Ended July 31, 2005
Filed November 2, 2005**

**Form 10-Q for the Fiscal Quarter Ended October 31, 2005
File No. 1-15687**

Dear Mr. Estrada:

We have completed our review of your Form 10-KSB/A and related filings and do not, at this time, have any further comments.

Sincerely,

/s/ Kyle Moffatt for

Larry Spigel
Assistant Director